

SECTION 5.40 PAY CORRECTIONS

Last Update: 1/14

Agencies have the responsibility to ensure that employees are paid properly. All pay errors must be reviewed and corrected.

Steps in Correcting Pay Errors [[11 IAC 53.4\(7\)](#)]

An employee's pay shall be corrected if it is found to be in violation of the Iowa Department Administrative Services administrative rules or a collective bargaining agreement. Corrections shall be made on the first day of the pay period.

An employee may receive retroactive pay in the same fiscal year for which it should have been paid. A request for retroactive pay must be received and processed no later than August 31 following the close of the fiscal year for which the request is made. Requests for retroactive pay, which are not made in a timely fashion or are attributable to other than the current fiscal year, must be submitted to the State Appeal Board.

- The agency's personnel assistant must submit personnel document(s) to correct errors as soon as possible.
- If required, the employee will need to complete an [appeal board claim form](#) and submit it to the State Appeal Board to request the retroactive pay. Further corrections to the employee's pay record must be made in accordance with the State Appeal Board decision.
- The employer will be required to provide written input during the appeal process. Review the facts to determine what action(s) should have taken place versus what action(s) took place.
Resources include:

- Employee's personnel file maintained by the agency's personnel assistant
- Employee's timesheet
- Employee's warrant history
- Personnel assistant
- Employee's supervisor
- Personnel officer
- Administrative rules
- Applicable collective bargaining agreement
- Classification and pay plan

Corrections that would require the backdating of a "Position Change Request" form (M-5) in the Human Resource Information System (HRIS) will not be allowed.

Correction of Pay Errors Involving Overpayment of Wages [[11 IAC 53.4\(7\)](#)]

If an error results in an employee being overpaid wages, except for FICA, state and federal income taxes and IPERS contributions shall be collected. Also, premiums for health, dental and life insurance benefits that have been underpaid shall be subject to collection. The overpayment must be collected in one of the following ways:

- The employee can choose to repay the overpayment in a lump sum.
- The overpayment can be deducted from succeeding pay periods not to exceed the number of pay periods

during which the overpayment occurred.

- The appointing authority may submit an alternate repayment plan to the Director of the Iowa Department of Administrative Services, including a written schedule explaining the method by which the money will be recovered. The Director of the Iowa Department of Administrative Services will notify the appointing authority of the decision on the alternate repayment plan.

If the employee terminates before the full amount is repaid, then the amount remaining will be deducted from wages, vacation payout, applicable sick leave payout, and/or any wage correction payback from IPERS.